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April 25, 2017

VIA ELECTRONIC FILING (ECFS)

Marlene H. Dortch, Esq., Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

RE: **EX PARTE PRESENTATION**  
*Misuse of Internet Protocol (IP) Captioned Telephone Service;*  
*Telecommunications Relay Services and Speech-to-Speech Services for*  
*Individuals with Hearing and Speech Disabilities*  
CG Docket Nos. 13-24, 03-123

Dear Ms. Dortch:

On April 21, 2017, Dixie Ziegler, Vice President of Hamilton Relay, Inc. ("Hamilton"), Gary Warren and John Nelson of Hamilton (by telephone), and Rachel Wolkowitz, outside counsel for Hamilton, and the undersigned counsel on behalf of Hamilton, met with Patrick Webre, Karen Peltz Strauss, Robert Aldrich, Eliot Greenwald, Susan Bahr, and Michael Scott of the Commission's Consumer & Governmental Affairs Bureau, and Andrew Mulitz and Dana Shaffer of the Commission's Office of the Managing Director. Rob Engelke, Christopher Engelke, Tim Engelke, Kevin Colwell, and Jayne Turner of Ultratec, Inc., Hamilton's contractor, also attended the meeting.

The main purpose of the meeting was to continue discussing methods to improve IP-based Captioned Telephone Service ("IP CTS") while ensuring that only eligible users access the service. Among the options discussed were the enforcement of existing rules, reinstatement of third-party certifications with possible enhancements to those certifications, while grandfathering those users who previously obtain third party certifications during the period when such certifications were not required, and annual re-registration and self-certification renewal requirements. During the meeting, the parties discussed the attrition rate for IP CTS and how – with the enforcement of current rules and the implementation of methods to improve the service – the current growth levels in IP CTS minutes of use would be unlikely. Hamilton urged the

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Commission to initiate a Further Notice of Proposed Rulemaking in this proceeding to explore these issues.

Hamilton also expressed its continued support for the use of the Multistate Average Rate Structure (“MARS”) for calculating the reimbursement rates for interstate traditional TRS, CTS, and IP CTS. Further, Hamilton observed that there are no material differences in cost between PSTN-based CTS and IP CTS.

In addition to the points raised in the meeting, Hamilton believes that rather than engaging in an arbitrary departure from a competitively-based rate methodology to an artificial rate methodology established by a governmental agency, the effectiveness of MARS needs to be examined by the new Office of Economics and Data (“OED”). A review of MARS would be an appropriate undertaking for this important new office, and would ensure that any departure from MARS is based on sound and legally defensible economic policy. Such a review would also be consistent with Chairman Pai’s recognition that “regulators will always struggle to set the ‘right’ price,” and that “hopes and good intentions can’t override economic analysis and hard data. Micromanagement can thwart competition. It can stifle investment. It can prevent us from ever achieving long-term results that benefit consumers.”<sup>1</sup> In that spirit, Hamilton believes that OED should be tasked with examining the current IP CTS rate methodology before the Commission engages in an arbitrary and capricious departure from a competitively-based rate system to one established by regulatory fiat.

This filing is made in accordance with Section 1.1206(b)(1) of the Commission’s rules, 47 C.F.R. § 1.1206(b)(1). In the event that there are any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

WILKINSON BARKER KNAUER, LLP

/s/ David A. O’Connor

Counsel for Hamilton Relay, Inc.

cc (via e-mail): Participants

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<sup>1</sup> *Business Data Services in an Internet Protocol Environment*, WC Docket No. 16-143; *Technology Transitions*, GN Docket No. 13-5; *Special Access for Price Cap Local Exchange Carriers*, WC Docket No. 05-25; *AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services*, RM-10593, Report and Order, FCC 17-39 (adopted Apr. 20, 2017) (separate statement of Chairman Pai, at 1).